AMENDED IN ASSEMBLY JUNE 9, 2016

AMENDED IN SENATE JANUARY 4, 2016

AMENDED IN SENATE APRIL 20, 2015

AMENDED IN SENATE APRIL 6, 2015

SENATE BILL

No. 778

Introduced by Senator Allen

February 27, 2015

An act to *amend Section 9880.1 of, and to* add Article 12 (commencing with Section 9890) to Chapter 20.3 of Division 3-of *of,* the Business and Professions Code, relating to professions and vocations.

LEGISLATIVE COUNSEL'S DIGEST

SB 778, as amended, Allen. Automotive repair: oil changes: notification to customers.

Existing law, the Automotive Repair Act, provides for the registration and regulation of automotive repair dealers by the Bureau of Automotive Repair, which is under the supervision and control of the Director of Consumer Affairs. Existing law requires repair dealers to give the customer a written estimated price for labor and parts necessary for a specific job. *Existing law defines terms for purposes of these provisions*. Existing law makes a violation of that act, except as specified, punishable as a misdemeanor.

This bill would require an automotive repair dealer *performing oil* change services to notify a customer, who is purchasing an oil change, of the recommended oil drain interval, oil grade, and viscosity specified in the maintenance schedule of the vehicle's owner's manual. The bill would also require, except as specified, an automotive repair dealer to use the oil drain interval specified in the maintenance schedule of the

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vehicle's owner's manual if the automotive repair dealer is recommending the date or mileage for the next oil change, as described. use the manufacturer's published oil drain schedule, except as specified, when recommending an oil change to a customer. The bill would require that an automotive repair dealer include a written explanation for any recommendation for oil change at an interval other than the interval recommended by the manufacturer, and to include a specified notice to the customer with regard to the manufacturer's published oil change recommendations. The bill would permit a customer to choose any oil drain interval that he or she chooses and have that interval reflected in any future recommendations by the automotive repair dealer. The bill would expand the definition of "repair of motor vehicles" to include lubricating vehicles and replacing oil filters and would specify that a person who performs these services is an "automotive technician." The bill would also define other terms for purposes of these provisions. The bill would expand the definition of an existing crime by placing new requirements on automotive repair dealers, thereby imposing a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the 2 following:
- 3 (a) Used automotive oil is one of the largest sources of 4 hazardous waste generated in California. While California has a 5 robust recycling program in place, about 40 percent of automotive 6 oil can never be collected for recycling because it is lost in use, 7 either burned in the combustion chamber or dripped onto streets
- 8 and parking lots. Of the oil that is collected, only a small percentage
- 9 is actually rerefined into new automotive oil.
- 10 (b) Oil quality and engine technology have evolved significantly 11 in recent years. New motor oil formulations reduce repairs, prolong 12 engine life, improve fuel economy, and enable significantly longer

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oil change intervals than outdated 3,000-mile-oil-change marketing campaigns.

- (c) Most automakers currently specify oil change intervals at either 7,500 or 10,000 miles, with intervals as high as 15,000 miles in some cars. Motor oils that meet current American Petroleum Institute (API) standards will have the capability to meet the current automaker oil change interval recommendations.
- (d) Changing oil more often than what is specified by the automaker in the vehicle's owner's manual wastes oil and money and compounds the environmental impact, especially to water.
- (e) It is the intent of the Legislature to ensure that the oil drain interval recommended by an automotive repair dealer be in accordance with the maintenance schedule of the vehicle's owner's manual and with the recommended oil grade and viscosity in order to prevent deceiving or misleading consumers with unnecessary and costly oil changes.
- (f) It is further the intent of the Legislature to source-reduce the amount of used automotive oil that is generated in California in order to reduce our dependence on petroleum products, avoid damage to the environment and threats to public health, and be consistent with the state's hierarchy for waste management practices pursuant to Section 40051 of the Public Resources Code.
- SEC. 2. Section 9880.1 of the Business and Professions Code is amended to read:
- 9880.1. The following definitions apply for the purposes of this chapter:
- (a) "Automotive repair dealer" means a person who, for compensation, engages in the business of repairing or diagnosing malfunctions of motor vehicles.
- (b) "Chief" means the Chief of the Bureau of Automotive Repair.
 - (c) "Bureau" means the Bureau of Automotive Repair.
- (d) "Motor vehicle" means a passenger vehicle required to be registered with the Department of Motor Vehicles and all motorcycles whether or not required to be registered by the Department of Motor Vehicles.
- (e) "Repair of motor vehicles" means all maintenance of and repairs to motor vehicles performed by an automotive repair dealer including automotive body repair work, but excluding those repairs made pursuant to a commercial business agreement and also

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excluding repairing tires, changing tires,—lubricating vehicles, installing light bulbs, batteries, windshield wiper blades and other minor accessories, cleaning, adjusting, and replacing spark plugs, replacing fan belts,—oil, and air filters, and other minor services, which the director, by regulation, determines are customarily performed by gasoline service stations.

No service shall be designated as minor, for purposes of this section, if the director finds that performance of the service requires mechanical expertise, has given rise to a high incidence of fraud or deceptive practices, or involves a part of the vehicle essential to its safe operation.

- (f) "Person" includes firm, partnership, association, limited liability company, or corporation.
- (g) An "automotive technician" is an employee of an automotive repair dealer or is that dealer, if the employer or dealer repairs motor vehicles and who for salary or wage performs maintenance, diagnostics, repair, removal, or installation of any integral component parts of an engine, driveline, chassis or body of any vehicle, but excluding repairing tires, changing tires, lubricating vehicles, installing light bulbs, batteries, windshield wiper blades, and other minor accessories; cleaning, replacing fan belts, oil and air filters; and other minor services which the director, by regulation, determines are customarily performed by a gasoline service station.
 - (h) "Director" means the Director of Consumer Affairs.
- (i) "Commercial business agreement" means an agreement, whether in writing or oral, entered into between a business or commercial enterprise and an automobile repair dealer, prior to the repair which is requested being made, which agreement contemplates a continuing business arrangement under which the automobile repair dealer is to repair any vehicle covered by the agreement, but does not mean any warranty or extended service agreement normally given by an automobile repair facility to its customers.
- (j) "Customer" means the person presenting a motor vehicle for repair and authorizing the repairs to that motor vehicle. "Customer" shall not mean the automotive repair dealer providing the repair services or an insurer involved in a claim that includes the motor vehicle being repaired or an employee or agent or a person acting on behalf of the dealer or insurer.

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SEC. 2.

SEC. 3. Article 12 (commencing with Section 9890) is added to Chapter 20.3 of Division 3 of the Business and Professions Code, to read:

1 2

Article 12. Oil Change

- 9890. (a) Prior to performing any work, an automotive repair dealer shall notify a customer purchasing an oil change of the recommended oil drain interval, oil grade, and viscosity specified in the maintenance schedule of the vehicle's owner's manual.
- (b) Except as provided in subdivision (c), if the automotive repair dealer recommends the date or mileage for the next oil change, the automotive repair dealer shall follow the oil drain interval specified in the maintenance schedule of the vehicle's owner's manual when making that recommendation to the customer verbally, in the form of a window sticker, thorough settings in a vehicle's oil sensor, or any other means.
- (c) If a customer chooses an oil for the oil change that has a recommended drain interval different from the oil drain interval specified in the maintenance schedule of the vehicle's owner manual, the customer may choose to have that different drain interval used for purposes of subdivision (b).
- 9890. (a) Except as indicated in subdivision (b), if an automotive repair dealer performing oil change services recommends a date or mileage for an oil drain interval, the recommended date or mileage shall follow the vehicle manufacturer published maintenance schedule.
- (b) If an automotive repair dealer recommends a date or mileage for an oil drain interval that deviates from the vehicle manufacturer's published maintenance schedule for reasons, including, but not limited to, compliance with paragraph (c), the basis for the date or mileage recommendation shall be noted on the final invoice or on a document attached to the final invoice.
- (c) Nothing in this section shall be construed as prohibiting the customer from selecting any date or mileage for an oil drain interval of his or her choice and having that choice reflected on future recommendations from an automotive repair dealer.
- (d) For purposes of this section, "recommended" or "recommendation" shall mean any written recommendation,

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including, but not limited to, a recommendation of an oil drain interval in the form of a window sticker or a key tag, or through programmable settings in the vehicle's oil life indicator.

- (e) For purposes of this section, "recommended" or "recommendation" shall not mean resetting a preset or nonprogrammable oil life indicator or an oil life monitor based on a mathematical algorithm of the vehicle's usage.
- (f) When an automotive repair dealer performs an oil change service, the dealer shall include the following oil change disclosure statement on the final invoice or on a document attached to the final invoice:

"It is important to change your oil at the proper intervals. Your vehicle manufacturer publishes oil change intervals in your owner's manual and on the manufacturer's Web site.

SEC. 3.

SEC. 4. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.